



Export News

North Texas Export Assistance Center

JULY 2006

2006 Harmonized Tariff Schedule Now Online

The U.S. International Trade Commission (USITC) has posted the first 2006 version of the Harmonized Tariff Schedule of the United States Annotated (HTSA) on the Internet.

Export-import professionals should note that this first edition of the HTSA does incorporate changes to import treatment of goods entering under the new U.S.-Morocco Free Trade Agreement (FTA) but does not include any of the similar changes that will be required as CAFTA-DR takes effect. As each CAFTA-DR member implements the legislative and regulatory modifications required under that agreement, tariff changes for imports from that country will be incorporated in a supplemental release of the HTSA on a "rolling basis." To view the 2006 schedule, go to: <http://www.usitc.gov/tata/hts>.

RoHS Directive Goes Into Effect July 2006

Are you prepared for the Restriction of Use of Certain Hazardous Substances (RoHS) Directive, which goes into effect July 2006? Since August 2005, companies selling a broad range of electrical goods in Europe were required to conform to the Waste Electrical and Electronic Equipment Directive (WEEE), and as of July 2006, those same companies will also need to conform to RoHS Directive. For additional information on the status of implementation, the coverage of the Directives, producer requirements, and additional resources, please go to: <http://www.buyusa.gov/europeanunion/weee.html>¹ For questions and answers about WEEE or RoHS, please see http://www.buyusa.gov/europeanunion/commerce_docs.html²

The EU Regulation Outlining 14% Retaliatory Tariffs on Certain Imported US Goods Has Been Withdrawn –

On May 11, US Congress voted to repeal the FSC grandfathering benefits for sales contracts which was the EU's primary impetus for initiating the 14% retaliatory tariffs. As a result, the EU Commission has suspended these additional customs duties. The timing of a repeal is unclear but if duties were collected beginning May 16, it is our understanding that they will be retroactively refunded once the new regulation is enacted. The Directorate General of Trade posted the following statement to its web site on May 12: "The European Union has warmly welcomed the repeal by the US Congress of WTO incompatible tax breaks for US companies contained in the Jobs Act. The US has today repealed the tax benefits as part of wider tax legislation. The EU welcomes the constructive work of the USTR's office and Chairman Bill Thomas and Chairman Charles Grassley in removing the measures from US law." EU Trade Commissioner Peter Mandelson said: "I welcome the constructive line taken by the US, in particular by USTR Rob Portman and USTR-designate Susan Schwab and by Chairman Thomas and Chairman Grassley. This decision also creates a positive atmosphere for the EU-US Summit in June."

Export.gov Helps U.S. Companies Succeed Globally

Export.gov brings together resources from across the U.S. Government to assist American businesses in planning their international sales strategies and succeed in today's global marketplace. From market research and trade leads from the U.S. Department of Commerce's Commercial Service to export finance information from Export-Import Bank and the Small Business Administration to agricultural export assistance from US Department of Agriculture, Export.gov helps American exporters navigate the international sales process and avoid pitfalls such as non-payment and intellectual property misappropriation. New information is added regularly, please visit often: <http://www.export.gov>¹¹.

Important Reminder– Wood Packaging Materials

On July 5, 2006, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) and the Department of Homeland Security's Customs and Border Protection (CBP) will require the immediate re-exportation of any ISPM-15 marked or unmarked wood packaging material (WPM) that is found to be infested with a live wood boring pest of the families Cerambycidae (longhorned beetle), Buprestidae (woodboring beetles), Siricidae (woodwasps), Cossidae (carpenter moth), Curculionidae (weevils), Platypodidae (ambrosia beetles), Sesiidae (clearwing moths) and Scolytidae (bark beetles). Plant pests that attack live trees prior to being manufactured into WPM will not survive the treatments prescribed in the regulation. If a wood boring pest is found in marked WPM, it confirms that the WPM has not been treated and marked in accordance with the regulation and will be re-exported. The importer will be responsible for any costs or charges associated with the re-exportation. This policy is an explanation of the existing regulations and is consistent with the intent of the rule and the Plant Protection Act. For more information on requirements for wood packaging materials, go to: http://www.aphis.usda.gov/newsroom/hot_issues/wood_packing.shtml³

U.S. China Joint Commission on Commerce and Trade (JCCT)

The 17th plenary session of the U.S.-China Joint Commission on Commerce and Trade (JCCT) took place in Washington, DC on April 11, 2006. To view the outcome on key issues on increasing U.S. access to the Chinese market, please go to: http://www.export.gov/china/policyadd/2006_JCCT_outcomes.asp⁴

8 Best Practices to Stay Compliant with Deemed Export Rule –

This article appeared in the June 2006 Edition of IOMA's *Managing Export & Imports* and has been posted on our SC website's Current Trade Issues web page with their permission. You can read and/or download a copy at <http://www.buyusa.gov/southcarolina/currenttradeissues.html>.

U.S. and Vietnam Sign Bilateral Market Access Agreement

Recently the United States and Vietnam have reached an agreement in principle on a bilateral market access agreement that will lower trade barriers to a wide range of U.S. industrial and agricultural products and services and help clear the way for Vietnam's accession to the World Trade Organization (WTO). U.S. Commerce Secretary Carlos M. Gutierrez welcomed the announcement. "The agreement is an important step forward in Vietnam's WTO accession process and moves Vietnam a step closer to full integration into the world economy," said Gutierrez. "U.S. exporters will see new market access opportunities in Vietnam's fast-growing market." The bilateral agreement, which will be implemented upon Vietnam's accession, will reduce tariffs to 15 percent or less on nearly 94 percent of industrial and consumer goods. In addition, tariffs will be reduced to 5 percent or less in several key sectors, including construction equipment and pharmaceuticals. The tariff on aircraft will be at zero upon implementation. For additional information, go to: http://trade.gov/press/press_releases/2006/vietnam_053106.asp⁵

Good Morning Vietnam! 3 EZ Steps Toward Export Success into Vietnam –

Vietnam is one of the most dynamic markets in the world. Ho Chi Minh City, Hanoi, and Danang are burgeoning into cosmopolitan cities that are bustling with small businesses and tourists. Continuing economic development will increase the demand for American goods and services, making Vietnam an ideal environment for U.S. exporters and investors. Most importantly, exporting to Vietnam is not as difficult as one would think! The U.S. Commercial Service post in Vietnam offers an "E-Counseling" Suite in 3 EZ Steps. These communication technologies allow U.S. companies to discuss business prospects live with our Commercial Specialists in Hanoi and Ho Chi Minh City. The suite includes email (with PDF attachments), Voice over Internet Protocol, and Webconferences at a moderate cost. Commercial Specialists in Vietnam are ready to answer specific questions about market opportunities and help you bring your business plans to fruition. For more details on how to take advantage of the 3 EZ Step, visit <http://www.buyusa.gov/vietnam>.

The U.S. Commercial Service e-Market Express Industry Newsletters

The U.S. Commercial Service of the U.S. Department of Commerce has identified key industry sectors with excellent potential in international markets. These sectors are supported by Teams made up of U.S. Commercial Service Trade Specialists located in both domestic and foreign posts. Several of these teams periodically publish and distribute newsletters with information on trade issues within these sectors and upcoming domestic and international trade events. The following e-market industry newsletters are available: Aerospace & Defense, Agribusiness, Automotive, Architecture/Engineering, Services & Building/Construction Products, Cosmetics & Toiletries, Energy, Environmental, Franchising, Health Care, Information & Communication Technology, Safety & Security, Textile & Apparel, and Travel & Tourism. Current issues of these newsletters are available for viewing and downloading at: <http://www.buyusa.gov/eme/>

Video Market Library: Watch the Latest Webcasts and Webinars

The U.S. Commercial Service, in cooperation with National Association of Manufacturers, created a Webinar series to introduce profitable new markets to small and medium sized businesses. These webinars include: Selling to Vietnam – 25 Hot Manufacturing Sectors, Capitalizing on CAFTA-DR, South Africa – Alive with Opportunities, Opportunities in China, and Opening Markets in India are now archived and can be found on our website, <http://www.export.gov>¹¹. In addition, the following videos are archived online: Israel, Russia's Regions, South Africa, China, Chile Free Trade Agreement, Singapore Free Trade Agreement and others. All future webinars will be archived at this site as well. <http://www.globalspeak.com/html/export-gov/webcasts.asp>

Market of the Month: Azerbaijan



With a population of a little over eight million, the Republic of Azerbaijan offers a small but fast developing market that has shown impressive, sustained economic growth. Azerbaijan, which gained independence from the former Soviet Union in 1991 and continues its integration with the world economy, is now attracting billions in foreign investment, particularly from companies seeking to gain a market presence in the oil rich Caspian region. The country's second largest sector is agriculture.

The main U.S. exports to Azerbaijan include industrial capital equipment, boilers, parts, machinery, aircraft, meat products, electronic equipment, and various services (legal, financial, engineering). The U.S. has maintained a positive trade balance with Azerbaijan, averaging about \$120-30 million in annual exports since 2000.

Key challenges for Azerbaijan include implementing anti-corruption legislation, improving the legal and regulatory framework for business, maintaining fiscal discipline, and continuing privatization.

Best Prospects for U.S. Exporters

As Azerbaijan's major hydrocarbon projects move toward a less intensive development stage, foreign investment will drop in the near future but is expected to be partially offset by inflows of concessional funds and grants for the next few years, estimated at about \$3 billion. The main driver of growth, however, is expected to be domestic investment. According to official sources, local investment is predicted to increase by approximately 20% a year, fueling growth in the services sectors such as transportation, communications, and construction.

Current best prospects for U.S. non-oil products and services include:

- ♦ Architectural, construction, and engineering services
- ♦ Building materials
- ♦ Transportation (aviation)
- ♦ Telecommunications and services
- ♦ Food processing/packaging equipment
- ♦ Agricultural machinery

To learn more about this dynamic country, please visit http://www.export.gov/articles/Azerbaijan_MoM.asp#P19_317

Libya: Commerce & Ex-Im Services Now Available

Effective April 1, 2006, the U.S. Commercial Service is now offering limited Gold Key and International Company Profile services in Libya. Ex-Im Bank is open for public sector transactions in Libya, as of March 23, 2006. For more information, contact your trade specialist at the U.S. Commercial Service North Texas (817) 310-3744

LOCAL TRADE EVENTS

Deemed Exports & International Technology Transfers Seminar

Tuesday, September 19, 2006
8:15 AM—4:15 PM

Sponsored by



Are you aware of the new penalties of Deemed Export rules enforced by the Bureau of Industry and Security (BIS)? If you violate these rules, you and your company can lose your exporting privileges, be fined upwards of one million dollars, and imprisoned.

If this makes you feel uncomfortable, and you would like to learn more to avoid these penalties, we invite you to join us in a one-day seminar to learn practical tips and tools on how to manage the most difficult export control challenges.

TIME: 7:30 am - 8:15 am Registration
8:15 - 4:15 pm Program

LOCATION: INFOMART
1950 N. Stemmons Fwy
Dallas, TX 75207 (214) 747-1300

COST: \$195 first person, \$125 each additional attendee

For more information or to register, visit
<http://www.buyusa.gov/northtexas/deemedexportsseminar.html>

GREATER DALLAS CHAMBER



The Chamber's Technology Business Council's annual issue forum will explore the convergence of science and technology. It will showcase how the healthcare and technology industries are merging in some of today's most cutting-edge developments, along with educating and informing attendees of the latest local advancements in these sectors. Academics, leaders within the medical/science and technology industries and entrepreneurs are encouraged to attend. The event will be held at the Omni Mandalay Hotel at Las Colinas. Please contact Connie Fung at 214.712.1937 or cfung@dallaschamber.org for more information.

GLOBAL MARKET SERIES: Export Certificate Program

11/2/2006 to 11/17/2006

The critical aspects of exporting.

Consecutive Thursdays, (plus Friday AM) Morning Sessions 8:00 a.m. - Noon; Afternoon Sessions 1:00 - 4:30 p.m.
Cost: \$45 per session; after Oct. 20: \$50; \$280 entire series; after Oct. 20: \$315. Must complete series for USDOC Export Certificate. CPM credit.

Nov. 2 AM - Resources & Market Analysis
Nov. 2 PM - Legal Issues

Nov. 9 AM - Documentation & Transport
Nov. 9 PM - Methods of Payment

Nov. 16 AM - Regulatory Compliance
Nov. 16 PM - Trade Finance

Nov. 17 AM - Managing Communications (Friday)

Location: INFOMART, 1950 N. Stemmons Freeway, Dallas, TX 75207

To register: www.iexportimport.com

FREE TRADE AGREEMENT CERTIFICATE SERIES

NAFTA is a Free Trade Agreement (FTA) with our biggest trading partners, Canada & Mexico. We now have numerous bi-lateral and multi-lateral FTA's. They offer major advantages but you must understand the rules to qualify for preferential treatment. If not, the rules become a trade barrier!

Oct. 18 AM SESSION: Rules of Origin/NAFTA Certificate
Oct. 18 PM SESSION: Customs Procedures: Mexico & Canada

Oct. 19 AM SESSION: Rules for Australia, Chile, Peru & Singapore
Oct. 19 PM SESSION: Rules for CAFTA

Location: INFOMART, 1950 N. Stemmons Freeway, Dallas, TX 75207

TO REGISTER, PLEASE VISIT: WWW.IEXPORTIMPORT.COM

INTERNATIONAL TRADE EVENTS



Querétaro, Puebla and Mexico City October 18 – 21, 2006

The **Education USA – Mexico Group** invites you to participate in their first **STUDY USA Trade Mission** to **Querétaro, Puebla and Mexico City**. This mission targets bilingual and bicultural schools in three of Mexico's most dynamic cities. You will have the opportunity to talk to Mexican students interested and, most importantly, *able* to study in the United States.

TRADE MISSION COST: US \$900

U.S. EXHIBITOR PACKAGE INCLUDES:

- ◆ Evening Reception for Agents, Counselors and other multipliers
- ◆ Trip to Querétaro (Transportation service) Support at ASF Querétaro Fair
- ◆ Trip to Puebla (includes transportation) with visits to three different International Schools
- ◆ Visa Pavilion Tour and Briefing at U.S. Embassy
- ◆ Participation in the American School Foundation Fair in Mexico City (includes hotel/event/hotel transportation service)

For more information, please contact:

Greg Thompson

Senior International Trade Specialist

Ph: 217-712-1932

Email: Greg.Thompson@mail.doc.gov

POLLUTEC U.S Pavilion

Pollutec is France's premier environmental technologies trade show, covering the major environmental technology sectors, including water and waste water treatment, air pollution control, solid waste and hazardous waste management, recycling, renewable and clean energies, soil and groundwater remediation, noise, and engineering

Cost: \$1200

For more information, contact Danielle Caltabiano at (817) 310-3744 or danielle.caltabiano@mail.doc.gov

Franchising and Trade (U.S. Pavilion)

This year, Franchising & Trade, Italy's leading franchising show, will take place in Milan, Italy, on **October 20-23, 2006**. More than 350 companies will exhibit at the Show, and the organizers are expecting more than 25,000 visitors. The Show is certainly an opportunity for new to market companies to get in contact with would-be partners; Italy is one of the most interesting European countries, as regards the franchising sector (in 2005, the sector's turnover was estimated to be more than Euro 18 billion, equal to more than **\$23 billion**).

This is what we are offering to U.S. companies:

- What:** Turn-key booths located in the prestigious U.S. Pavilion at Franchising & Trade. U.S. companies may choose between two alternatives, depending if they require us to pre-schedule some appointments for them, or not. This year's fees are: € 5,300 (approx. \$6,800), with pre-scheduled appointments, and € 3,850 (approx. \$4,950), booth only. They refer to a standard furnished booth (9 square meters, approx. 96.84 square feet). Larger booths will certainly be available.
- Where:** Franchising & Trade, which will be held in the new Fairgrounds of Milan-Rho, on October 20-23, 2006. In 2005, the show had 300 exhibitors and more than 25,000 visitors.
- Why:** A hassle-free participation, a productive way to increase your activity to Europe, and to Italy in particular, and to receive continued cooperation and support from the U.S. Department of Commerce.

Deadline for participation: July 28, 2006.

For additional information contact Elizabeth Graham at Beth.Graham@mail.doc.gov Ph: 817-310-3744

INTERNATIONAL TRADE EVENTS



BUSINESS DEVELOPMENT MISSION TO INDIA

U.S. companies have the chance to make or increase sales in **INDIA's** booming market by joining the U.S. Department of Commerce's International Trade Administration Business Development Mission to India. **Under Secretary for International Trade Franklin L. Lavin** will lead the Mission with coordination by the U.S. Commercial Service in the United States and India.

Start by participating in the Mumbai Business Summit, then continue your business search by joining one of six spin-off business matchmaking missions to **Bangalore, Kolkata, Chennai, Hyderabad, Mumbai, or New Delhi.**

The Mumbai Business Summit November 29-30, 2006

Summit participants will have access to India's high-level business, industry, and government representatives and opportunities to gain insights into the country's trade and investment climate during strategic breakout sessions.

Six Exciting Cities, Endless Business Opportunities

December 4-5, 2006

Narrow your focus and get serious about India by continuing on to Bangalore, Kolkata, Chennai, Hyderabad, Mumbai*, or New Delhi. The U.S. Commercial Service will arrange market briefings, networking receptions, and one-on-one business appointments with prospective agents, distributors, partners, and end-users for each U.S. company.

Choose to register for the summit and a spin-off mission, just the summit, or just a spin-off mission.

Price

Mumbai Business Summit: \$500

Spin-off mission: \$1,600

One-day mission in Mumbai on 12/1: \$900

Prices do not include travel, lodging, meals, or third-party registration fees.

To express your interest in the trade mission, please visit

www.buyusa.gov/northtexas/indiatrademission

Retail Brazil –

Explore Your Sales Potential in Brazil

The U.S. Commercial Service is organizing a retail promotion initiative for U.S. exporters wishing to test their products in the Brazilian marketplace or to increase market share there. Over the next year the U.S. Commercial Service will execute a series of in-store promotions and other events with major Brazilian retailers to launch U.S. products and test the viability of these products in that growing market.

With 180 million consumers and a falling US dollar, Brazil represents a huge potential market for a variety of retail goods from the United States. In 2004, over 100 US companies participated in our original initiative "Retail in Rio," and many are now enjoying increased sales in Brazil. This year, the initiative has been expanded to include Belo Horizonte, São Paulo and Porto Alegre. Brazil's 182 million people make it the 5th largest country in the world and its \$605 billion GDP makes it the world's 12th largest market.

Key Industries for Retail Brazil include: Apparel, Cosmetics, Food Products, Housewares, High-end Electronics, Office Supplies, Pet Supplies, Sporting Goods, and Toys.

For information & registration, e-mail

Danielle.Caltabiano@mail.doc.gov

Thank you, and we hope you enjoyed this edition of

North Texas Export News!

Please feel free to contact us for your next exporting need.

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